Mutual Cooperation Between India and Pakistan

*130. DR. T. SUBBARAMI REDDY:
DR. KARAN SINGH:

Will the PRIME MINISTER be pleased to state:

(a) whether in the month of August, India and Pakistan had agreed to resolve cooperation in the areas of mutual benefits such as civil aviation, shipping, banking and petroleum and natural gas as part of ongoing composite dialogue between the two countries;

(b) if so, whether as per the agreement reached the two Foreign Ministers met in October and had signed on pre-notification on ballistic missiles; and

(c) if so, what were other agreements reached and implemented and to what extent India and Pakistan have agreed to new bus routes to Pakistan?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMMED): (a) to (c) As part of the Composite Dialogue, talks on Economic and Commercial Cooperation and on Terrorism and Drug Trafficking took place in August, 2005. During the visit of the Foreign Secretary to Pakistan (31 August to 02 September 2005), the Foreign Secretaries reviewed the second round of the Composite Dialogue and expressed satisfaction over the positive developments in the round. It was decided that the Foreign Secretaries would meet in January 2006 in New Delhi to launch the third round of the Composite Dialogue.

The former EAM met the Pakistan Foreign Minister in Islamabad in October 2005 to review progress of the second round of the Composite Dialogue which was followed by a plenary meeting of the revived Pakistan-India Joint Commission on 4 October 2005. The Agreement on Pre-Notification of Flight Testing of Ballistic Missiles and the Memorandum of Understanding on Establishment of a Communication Link between the Pakistan Maritime Security Agency and the Indian Coast Guards were signed in the presence of the two Foreign Ministers. The Indian side presented drafts for consideration proposing amendments to the existing agreements on visa, visits to religious shrines and new proposals for a Cultural Exchange Programme. The two sides agreed to pursue these matters under the Composite Dialogue framework. Within the Joint Commission framework, it was decided to set up technical level working groups on Agriculture, Health, Science and Technology, Information, Education, Information Technology & Telecommunication, Environment and

Tourism. The Pakistan side also agreed to a modest liberalization of the Civil Aviation Agreement.

The operationalisation of the Amritsar-Lahore bus service and talks for finalising the Amritsar-Nankana Sahib bus service were postponed due to the earthquake on October 8. The trial runs of the former are scheduled for December 11 and 13, 2005. Talks for finalizing the Amritsar-Nankana Sahib bus service will be held on 20-21 December 2005. Work on the Poonch-Rawalakot bus service and for the plying of trucks on the Srinagar-Muzaffarabad route has been affected by the earthquake. Talks will be held after an assessment of the time likely to be taken to repair the infrastructure on both sides.

Revival of SSIs

*131. SHRI TARIQ ANWAR: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that Government are planning to prepare an action plan for reviving small scale units by 2006;

(b) if so, the details thereof; and

(c) in what manner, it would help the small units by increasing the exports?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) and (b) The Central Government has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick Small Scale Industries. For this purpose, the Reserve Bank of India (RBI) had issued detailed guidelines to banks in January 2002 on detection of sickness at an early stage and taking remedial measures, and for rehabilitation of sick SSI units identified as potentially viable. These guidelines include, *inter alia*, change in the definition of sick SSI units, norms for deciding their viability, concessional finance, etc., with a view to helping the banks in detecting sickness at an early stage and taking corrective action for revival of the potentially viable sick SSI units. As announced by the Central Government in the 'Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs)' on 10th August 2005, the RBI has issued detailed guidelines on 8th September 2005 relating to debt restructuring mechanism to facilitate restructuring of debt of all eligible SMEs (including SSIs). These guidelines include, *inter alia,* aviability criteria, prudential norms for restructured accounts, additional finance,